



Benefit Services Division
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DESCRIPTION OF 1959 SURVIVOR BENEFIT AND ENTITLEMENT INFORMATION

The 1959 Survivor Benefit provides a monthly allowance, in an amount specified by law, to certain eligible survivors of members who were covered for this benefit. This form is intended to define those persons who may qualify for this benefit and inform you of the amount(s) which may be payable. Please read the form carefully, and if you have any questions, feel free to contact the Pre-retirement Death Benefit unit at the above address or telephone number for assistance. **IMPORTANT:** *The increased amounts shown below, and the eligibility of a surviving spouse at age 60, were provided under Senate Bill 400 (effective 1/1/2000). SB 400 also provided for these increased amounts to terminate as of January 1, 2010 and the eligibility of a surviving spouse who does not have care of minor children to again be 62 unless a subsequent provision becomes effective on or before this date, which extends the increase or makes the increase permanent. If the increase is not extended or made permanent the benefit will revert to the level contracted by the member's former employer.*

I. ELIGIBLE SURVIVORS

1. **Surviving Spouse:** A surviving spouse is a husband or wife who was legally married to the member either one year prior to the member's death, or prior to the occurrence of the injury or onset of the illness which resulted in the member's death.
2. **Children:** An unmarried child of the member, or an unmarried stepchild, if they were living in a parent-child relationship, is eligible for benefits while under age 22. An unmarried child incapacitated because of a disability which began prior to attaining age 22, may be entitled to the benefit until such disability ceases.
3. **Parents:** A parent is an eligible survivor if there is no surviving spouse or eligible children, and the parent(s) was dependent on the member for at least one-half of their support at the time of the member's death.

II. MONTHLY BENEFIT ENTITLEMENT

1. A surviving spouse who is under age 60 and has care of eligible children is entitled to a monthly allowance as follows:

<u>With one eligible child</u>	<u>With two or more children</u>
\$1,500.00 per month	\$1,800.00 per month

IMPORTANT

If a child becomes under the care of another person, or is over age 18 and living on their own, a portion of the above benefit is payable directly to the guardian, or to the child. Therefore, to avoid an overpayment of allowance you must promptly notify this System if you no longer have care of one of the children.

2. If there are surviving eligible children, but there is no spouse who qualifies under Part I, #1, the children are entitled to a monthly allowance as follows:
 - a. \$ 750.00 - if one child
 - b. \$1,500.00 - if two children
 - c. \$1,800.00 - if three or more children

continued on reverse

3. A surviving spouse who is age 60 will receive a lifetime benefit if there are no eligible children or where eligible children are NOT in the care of such spouse as follows:
 - a. \$750.00 - if no children or one eligible child
 - b. \$300.00 - if two eligible children
 - c. \$ - 0 - - if three or more children, the children will receive the allowance instead of the spouse
4. A surviving dependent parent may be entitled to the benefit if there is no spouse or children, and the parent was dependent on the member for at least half of their support, as follows:
 - a. \$750.00 - to each dependent parent who is at least 60

III. TAXABILITY OF THE BENEFIT

The 1959 Survivor Benefit is a taxable allowance and will be reported to the tax authorities each year. You will receive a 1099R Form each February.

For some payees, all or a portion of the 1959 Survivor Benefit payment is subject by law to mandatory 20% Federal withholding. However, the 20% withholding may be avoided if the payee elects to have CalPERS directly "roll over" the payment to an individual retirement account (IRA). A form to elect a direct rollover will be provided if you are subject to the mandatory 20% Federal withholding:

- * All of the allowance is subject to 20% withholding or may be issued to an IRA each month if the payee is a surviving spouse who has care of children who will all turn age 22 in less than 10 years from the effective date of the allowance.
- * A portion of the allowance is subject to 20% withholding or may be issued to an IRA each month if the payee is a surviving spouse who has care of at least two children, but who will have care of only one eligible child in less than 10 years from the effective date of the allowance.

IV. WHEN THE SPECIAL DEATH BENEFIT IS PAYABLE

If the Special Death Benefit is being paid in the amount of the Alternate Death Benefit, Pre-retirement Option 2 or the 1957 Survivor Benefit, the full amount of the 1959 Survivor Benefit is also payable. However, if the Special Death Benefit is equal to half of the final compensation (member's average salary) then the 1959 Survivor benefit is payable ONLY if it exceeds the Special Death Benefit amount. In this situation, the difference will be paid as the 1959 Survivor Benefit, decreasing each year as the Special Death Benefit increases due to cost-of-living adjustments. Please note that when a surviving spouse is receiving the Special Death Benefit, and has care of eligible member children, if the child moves out of the spouse's care, the 1959 Survivor Benefit will be payable to the child until he/she attains the age of 22 or marries.